§ 95-7 Enactment of tax relief; purpose; effective date.

The Town of Fairfield hereby enacts a tax relief program for elderly homeowners or permanently and totally disabled homeowners pursuant to Section 12-129n of the Connecticut General Statutes for eligible residents of the Town of Fairfield on the terms and conditions provided herein. This article is enacted for the purpose of assisting elderly or permanently disabled homeowners with a portion of the costs of property taxation. This program shall become effective for the assessment year commencing October 1, 2012.

§ 95-8 Conditions for eligibility.

A. Any person who owns real property in the Town of Fairfield or is liable for payment of taxes thereon pursuant to Section 12-48 of the Connecticut General Statutes and who occupies said real property as a residence and fulfills the following eligibility requirements shall be entitled to tax relief on the Grand List immediately preceding the application period provided for in § 95-9 below. The reference to "person" pursuant to this subsection shall hereinafter mean either "applicant" or "recipient."

B. After the applicant's claim has been filed and approved, such applicant shall be required to file such an application biannually. All persons receiving Town tax relief under the article on the October 1, 2011, Grand List shall refile for such tax relief for October 1, 2012, and biennially thereafter based on the year of the initial claim. If a tax payer's initial year of filing was for an odd-numbered grand list year, refiling will occur for an odd-numbered Grand List year. If a tax payer's initial year of filing was for an even-numbered Grand List year, refiling will occur for an even-numbered grand list year."

C. The applicant shall be entitled to tax relief if all the following conditions are met:

(1) Such applicant (or a spouse domiciled with such applicant) has attained age 65 or over at the end of the preceding calendar year or is 60 years of age or over and the surviving spouse of a taxpayer qualified for tax relief under this program at the time of his or her death; or has not attained the age of 65 years and is eligible in accordance with the federal regulations to receive permanent total disability benefits under social security or has not been engaged in employment covered by social security and accordingly has not qualified for benefits thereunder, but has qualified for permanent total disability benefits under any federal, state or local government retirement or disability plan, including the Railroad Retirement Act and any teacher's retirement plan in which requirements with respect to qualifications for such permanent total disability benefits are comparable to such requirements under social security.

(2) Such applicant shall have been a taxpayer of the Town of Fairfield and have paid taxes for at least one year as of October 1 of the current Grand List year.

[Amended 5-29-2018]

(3) The property for which the benefit is claimed is the legal residence of such applicant and is occupied for than 183 days of each year by such applicant.

[Amended 5-29-2018]

(4) Such applicant(s) shall have applied for property tax relief under any state statutes applicable to persons 65 and over and the permanently and totally disabled for which he or she is eligible. If

such applicant has not applied for tax relief under any state statutes because he or she is not eligible, he or she shall so certify by filing on a form acceptable to the Assessor an affidavit attesting to his or her inability.

(5) Such persons shall have individually, if unmarried, or jointly, if married, qualifying income in an amount not to exceed limits described below for each program for the tax year ending immediately preceding the application for tax relief benefits. "Qualifying income" is defined as adjusted gross income, as defined in the Internal Revenue Code of 1986, as may be amended from time to time, plus the nontaxable portion of any social security benefits, railroad retirement benefits, any tax shelter losses, income from other tax-exempt retirements and annuity sources and income from tax-exempt bonds and any other income not includable in adjusted gross income. Unreimbursed gross medical and dental expenses shall be deducted from income in calculating the applicant's Qualifying Income, as long as such unreimbursed gross medical and dental expenses are included on the applicant's federal income tax return of the calendar year immediately preceding the year of application as an itemized deduction and qualify as a medical deduction under Section 213(a) of the Internal Revenue Code of 1986, as may be amended. ~~(qualifying as and included on a federal income tax return of the calendar year immediately preceding the year of application as an itemized deduction before application of the 7.5% or other limitation) of such person and the spouse are deductible from their income in arriving at qualifying income to the extent such expenses exceed 30% of their qualifying income determined before this medical deduction.~~

Commented [DC1]: RTM Update

(6) Such person shall have applied or reapplied in person to the Assessor for the tax relief during the application period established in § 95-9 below.

[Amended 5-29-2018]

(7) Benefits granted under this article shall be prorated by the office of the Assessor in the event of the sale or transfer of the affected real estate or the death of the applicant and the surviving spouse, if applicable.

(8) [1]Any application and spouse who qualify for property tax relief under this article shall have a qualifying total asset value (QTAV) not exceeding $650,000. Qualifying total asset value shall consist of any and all assets of the applicant and spouse as of the date of application but shall specifically exclude the value of the applicant's primary legal residence and all tangible personal property contained therein. Each applicant to whom QTAV applies shall make a sworn statement in a form satisfactory to the Assessor that such applicant's QTAV does not exceed $650,000.

> *[1] Editor's Note: Former Subsection C(8), which stated that taxpayers shall not be delinquent in payment of real property, personal, or motor vehicle taxes, sewer use charges, or sewer assessments for any period extending back more than one year immediately preceding the date of their application, was repealed 5-29-2018. This ordinance also renumbered former Subsection C(9) as Subsection C(8).*

D. A married homeowner whose spouse is a resident of a health-care facility or nursing home in Connecticut that is receiving payment related to such spouse under Title XIX (Medicaid) need not declare the spouse's social security income. Proof that the spouse is in a facility must be provided, including the period of time said spouse was in the facility, the time that Title XIX commenced, and the name and address of the facility. The statement of proof must be on the facility's letterhead and signed by the administrator or other official of the facility.

§ 95-9 Application.

[Amended 5-29-2018]

In order to be entitled to the tax relief provided herein, an application must be filed with the Assessor not earlier than February 1 and not later than May 15 preceding the fiscal year in which the tax is payable.

A. Any eligible taxpayer, or his/her authorized agent, shall file applications for tax relief and tax deferral under this chapter with the Town of Fairfield Assessor, any time from the first of February to the 15th day of May, prior to the commencement of the tax year for which tax relief is claimed, on a form or forms prescribed and furnished by the Town of Fairfield. In making such application, the taxpayer shall present to the Assessor, in substantiation of his/her application, a copy of his/her federal income tax return for the calendar year immediately preceding the year of application, a copy of the Social Security Act Administration Form 1099, or, if not required to file a return, such other evidence of qualifying income which the Assessor may reasonably require to establish compliance with the income qualifications provided in § 95-15 of this article. The applicant, or his/her authorized agent, shall sign a sworn affidavit in the presence of the Assessor affirming the accuracy of the statements in the application.

B. When the Assessor is satisfied that the applying taxpayer qualifies under this article, he/she shall compute the amount of such tax relief and tax deferral and cause certificates of tax credit and tax deferral to be issued in such form as to permit the Tax Collector to reduce the amount of tax levied against the taxpayer and make proper record thereof, and a copy thereof shall be delivered to the applicant. Neither the Assessor nor the Tax Collector shall unreasonably withhold the issuance of such a tax credit and tax deferral to a properly qualifying taxpayer. The tax credit shall be applied to the tax payments.

C. Affidavits or applications or other documents presented in support of the application for tax relief or tax deferral shall not be open for public inspection and shall not be disclosed except in connection with claims of fraud.

D. An eligible taxpayer may make his/her application for tax relief or tax deferral to the Assessor up until August 15th of the claim year if approved for extension by the Assessor. The Assessor may grant such extension in the case of extenuating circumstance due to illness or incapacitation as evidenced by a [physician's] certificate signed by a physician or an advanced practice registered nurse, or if the Assessor determines there is good cause for doing so. Reference Public Act 12-197 amending 12-170w of the Connecticut General Statutes.

§ 95-10 Amount of tax relief per person limited.

[Amended 5-29-2018]

No property tax relief provided for any person shall exceed in the aggregate 75% of the tax which would, except for the benefits provided by state statutes and the program(s), be laid against such person.

§ 95-11 Amount of relief granted through program limited.

The total of all relief granted under the provisions of these programs shall not exceed an amount equal to 2.5% of the total real property tax levied in Fairfield in the preceding fiscal year. The total amount that can be deferred under § 95-15B is limited to a maximum of $500,000 in any tax year. In the event that either foregoing limitation on relief is reached, relief shall be prorated among qualified applicants.

§ 95-12 Relief per parcel of property limited to eligible persons.

[Amended 5-29-2018]

Only one tax relief benefit shall be allowed for each parcel of real property eligible for tax relief under the programs. In the event that title to real property is recorded in the name of the taxpayer or his or her spouse who are eligible for tax relief and any other person or persons, the tax relief under the programs shall be prorated to allow a tax relief benefit equivalent to the fractional share in the property of such taxpayer or spouse, and the person or persons not eligible shall not receive any tax relief.

§ 95-13 Effect on other benefits.

[Amended 5-29-2018]

The tax relief provided to any person under the programs shall not disqualify such person with respect to any benefits for which such person is eligible under any state statute, and any tax relief provided under the article shall be in addition to any such benefits.

§ 95-14 Partial waiver of lien rights.

The Town of Fairfield hereby waives any lien rights given to it by Section 12-129n of the Connecticut General Statutes with respect to the tax freeze and tax credit programs but will exercise such rights as provided below with respect to the tax deferral program.

§ 95-15 Tax relief programs.

An applicant may not apply, in any assessment year, for more than one of the following Town tax relief programs:

A. Tax freeze. Any taxpayer meeting the eligibility requirements of § 95-8 and having qualifying income not exceeding $50,600 may elect to apply for a freeze under which such taxpayer shall pay the gross tax levied on applicable property, calculated for the first year the application is granted (the "freeze amount") and shall be entitled to continue to pay no more than the freeze amount for each subsequent year in which the taxpayer, or his surviving spouse, continues to meet such qualifications, subject to the following:

Commented [DC2]: Discussed removing this, but did not come to consensus

(1) In the event that the applicant shall make improvements to his property resulting in an increase in his assessment, an amount calculated by multiplying the increase in the taxpayer's assessment attributable to the improvement by the mill rate in effect in the year such reassessment takes place shall be added to the freeze amount then applicable to obtain a revised freeze amount which will be the freeze amount for subsequent assessment years;

(2) The applicant or his or her spouse must be at least 65 years of age at the time of such application;

(3) Relief under this tax freeze is limited to not more than six consecutive years (not including the initial year that is used as the year to determine the freeze amount). Should the applicant choose to apply for the tax deferral program, described below, in the year following the last year of tax freeze eligibility, the freeze amount shall be used as the deferral base under that program;

(4) An applicant and/or his or her spouse may only receive tax relief under the tax freeze program once during his or her life with an individual also being deemed to have received such tax relief under the tax freeze program if their spouse received such benefits while they were married;

(5) The qualifying income threshold of $50,600 for the tax freeze program indicated in § 95-15A above shall be adjusted in the same manner as described in § 95-15C(2) with respect to the tax credit program; and

(6) If a decrease in the mill rate lowers the normal tax bill below the original frozen tax level, the applicant will pay the normal tax. When the normal tax bill exceeds the original frozen tax bill, the applicant will pay his original frozen tax bill. The counting of the six-year period specified in § 95-15A(3) shall be suspended during the period in which the applicant pays the normal tax.

B. Tax deferral. Any taxpayer age 75 or older at the end of the preceding calendar year and meeting the eligibility requirements of § 95-8 and having qualifying income not exceeding $80,000 may elect to apply for a deferral of up to 50% of the gross tax levied on applicable property each year in which the taxpayer, or his surviving spouse, continues to meet such eligibility requirements, subject to the following:

(1) The recipient shall enter into a written agreement with the Town providing for reimbursement, which shall be recorded in the land records of the Town and shall constitute a lien on the property payable upon death or conveyance.

(2) All deferral benefits plus interest shall be reimbursed to the Town:

a) one year after the recipient's death, unless the recipient's surviving spouse applies for benefits under this program and also qualifies under § **95-8**;

b) Upon conveyance of the real property subject to taxation; or

c) Upon the property no longer being the recipient's principal residence~~All benefits shall be reimbursed to the Town upon the death of the recipient, unless the recipient's surviving spouse applies for benefits under this program and also qualifies under § 95-8, or conveyance of the real property subject to taxation~~.

(3) All benefits shall be subject to an interest charge at the greater of the annual percentage rate of 3% or the rate on ten-year United States Treasury Notes. The rate for the purposes of this subsection shall be set by the Chief Fiscal Officer of the Town of Fairfield on January 31 in each calendar year or, if such day is a day on which the fiscal office of the Town of Fairfield is not open, on the next prior day on which it is open. Such rate shall be effective for the following year. Such interest shall be simple interest, not compounded, and shall accrue from the date of deferral until the date of repayment.

(4) Total deferments, including accrued interest, for all years shall not exceed 70% of the most recent assessed value of the real property.

Commented [DC3]: RTM Update

(5) The qualifying income threshold of $80,000 for the tax deferral program indicated in § 95-15B above shall be adjusted in the same manner as described in § 95-15C(2) with respect to the tax credit program.

(6) If a decrease in the mill rate lowers the normal tax bill below the original deferral base, the applicant will pay the normal tax. When the normal tax bill exceeds the original deferral base, the applicant will pay the original deferral base.

(7) Taxpayers between the age 65 and 75 who had participated in the tax deferral option as of the 2012 Grand List may reapply for their original deferral base (deferring tax above that base), provided their qualifying income for the preceding year did not exceed $80,000.

C. Tax credit.

(1) Any applicant meeting the eligibility requirements of § 95-8 and having qualifying income shown in the table below, adjusted annually as provided in Subsection C(2) below, shall be entitled to a tax credit of up to a maximum (as limited by § 95-10) provided in the following table, effective for the assessment year beginning October 1, ~~2012~~2019, and for each assessment year thereafter:

Commented [DC4]: Updated date

Commented [DC5]: Clarification of date when data is relevant

Qualifying Income (as of 2019)			
Over	**To**	**Tax Credit (percentage of tax due)**	**Cap (not to exceed)**
$0	$~~16,700~~18,600	~~67~~75%	$~~5,000~~7,500
$~~16,701~~18,600	$~~23,900~~25,500	~~60~~65%	$~~4,500~~6,500
$~~23,901~~26,500	$~~29,500~~32,700	~~50~~55%	$~~3,700~~5,500
$~~29,501~~32,700	$~~35,300~~39,000	~~42~~45%	$~~3,500~~4,500
$~~35,301~~39,300	$~~43,400~~48,000	~~33~~35%	$~~2,700~~3,500
$~~43,401~~48,000	$~~50,600~~56,000	25%	$~~2,000~~2,500
$~~50,601~~56,000	$~~70,000~~77,300	15%	$~~1,400~~1,500

For prior credit option participants, tax credit will not be less than calculated for 2012/2013, based upon 2012/2013 qualification levels.

(2) The amounts of qualifying income shown in the above table shall be adjusted annually in a uniform manner to reflect the annual inflation adjustment in social security income, with each adjustment of qualifying income determined to the nearest $100. Each such adjustment shall be prepared by the Secretary of the Office of Policy and Management, State of Connecticut, in relation to the annual inflation adjustment in social security, if any, becoming effective at any time during the twelve-month period immediately preceding the first of October of each year, and shall be the amount of such adjustment which is distributed to the Assessor as of December 31 next following. Adjustments for any bracket of qualifying income not included in the adjustments made by the Secretary of the Office of Policy and Management shall be made by the Assessor by applying the same percentage used by the Secretary of the Office of Policy and Management in making its adjustments and with each adjustment of qualifying income determined to the nearest $100.

§ 95-15.1 Report by Assessor.

The Assessor shall report to the RTM and the Board of Finance every June on the tax relief program established under Article III of Chapter 95.

Commented [DC6]: Added BOF review

§ 95-15.2 Severability.

In the event that any provision of §§ 95-7 through 95-15 of the Fairfield Town Code is found to be unlawful, only such unlawful provision shall be ineffective, and all other provisions shall remain in full force and effect.

§ 95-15.3 When effective.

The amendments to §§ 95-7 through 95-15.2 shall become effective immediately after the period for subjecting them to a referendum has expired.

§ 95-15.4 RTM Review Committee.

[Amended 2-23-2015; 5-29-2018]

At its first regularly scheduled meeting in January ~~2020~~of each calendar year, the Representative Town Meeting shall convene a special committee to review Article III of Chapter 95, Tax Relief for Elderly and Disabled Homeowners.

Commented [DC7]: Added overall comment